



March 26, 2004

VIA FACSIMILE

Ms. Jennifer J. Johnson
 Secretary, Board of Governors
 Federal Reserve System
 20th and Constitution Avenue NW
 Washington, DC 20551
 202/452-3102 (Fax)

RE: Docket No. R-1173—Alternative Forms of Privacy Notices

Dear Ms. Johnson:

The Wisconsin Bankers Association (WBA) is the largest financial institution trade association in Wisconsin, representing nearly 320 state and nationally chartered banks, savings and loan associations, and savings banks located in communities throughout the state.

WBA appreciates the opportunity to comment on the interagency proposal regarding alternative forms of privacy notices under the Gramm-Leach-Bliley Act (GLBA).

The proposal fundamentally requests comment on whether the Agencies should develop a short privacy notice. In the event the answer is "yes" to this threshold question, the Agencies proceed to ask whether the notice should be mandatory. In addition, the Agencies request comment on several alternative approaches to the development of the notice.

The WBA does not see a real need for the Agencies to develop a short notice, and is adamantly opposed to the development of any short notice that would be mandatory. Financial institutions have spent a great deal of money and have invested countless hours developing privacy notices that accurately, clearly, and conspicuously describe the information sharing practices pursuant to their particular operations. The Agencies had ample time in the rulemaking process to ultimately conclude that institutions should be given flexibility to develop their own policies. To issue a mandate nearly three years after the privacy regulation's compliance date would be absolutely unacceptable.

If the Agencies endeavor to develop a short notice, it should be only model, and institutions should be given the discretion to choose whether or not to use it. However, the

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WBA is extremely concerned that financial institutions **would** abandon their painstakingly developed notices (that specifically fit the **particular institution's** operations) for the model **notice**, viewing the model as a "safe harbor." Thus, if the Agencies ultimately **conclude** that development of a **short notice will be pursued**, the WBA strongly urges the Agencies to simply create a model that institutions are not required to follow in either substance or form, except to the extent of the requirements of the current regulations. In addition, the WBA implores that the Agencies take extraordinary efforts to ensure financial institutions understand that the notice is only a model and that there is absolutely no regulatory requirement or advantage to use or follow the model.

As stated earlier, the Agencies have asked for input on the approach to take in the event a short **privacy** notice is developed. The WBA believes the **any** such notice **must** **provide** institutions with a high degree of **flexibility** that **allows** each institution to provide their own descriptions of their privacy policies. And, the WBA is resolutely opposed to the approach suggested by the Agencies which would "focus attention on the consumer's right to opt out of disclosures."

In this regard, the Agencies asked whether it would be appropriate to simply provide customers with a notice that contained the opt out and a mere statement that the customer may obtain a copy of the institution's privacy notice. The WBA vehemently opposes such an approach because it undoubtedly would leave the customer with the impression that opting out is in his or her best interest. Opting-out of information sharing is not necessarily in the customer's best interest and customers should not be led down that path. Instead, the WBA believes that the customer is in the best position to determine what is in his or her best interest. However, in order for the customer to make such a determination, the customer needs to be fully informed about the **institution's** privacy policies. Therefore, any short **privacy** notice should contain the institution's privacy policies and opt-out, as applicable.

The WBA trusts that the Agencies will **carefully** consider the **comments** and concerns **raised in this letter**. Again, the WBA appreciates the opportunity to comment on this important **matter**.

Sincerely,



Kurt R. Bauer
Executive Vice President/CEO